

REQUEST FOR PROPOSAL FOR MARKETING SERVICES

**KAY IVEY
STATE TREASURER OF ALABAMA**

THE PREPAID AFFORDABLE COLLEGE TUITION (PACT) TRUST FUND

Release Date: February 27, 2007
Proposal Due Date: March 30, 2007

1. Overview.

This Request for Proposal (RFP) is issued by State Treasurer Kay Ivey (Treasurer), at the direction of the Prepaid Affordable College Tuition (PACT) Trust Fund Board of Directors (Board). The Board solicits proposals from qualified professional firms interested in providing marketing services (“the Agency”) for the PACT Program.

This RFP is issued in accordance with the requirements of Section 41-16-72(4), Code of Alabama (1975). This RFP is not an offer to contract but seeks the submission of proposals from qualified, professional firms that may form the basis for negotiation of a Marketing Services Agreement. *The Treasurer reserves the right to reject any or all proposals and to solicit additional proposals if that is determined to be in the best interest of the Alabama PACT Trust Fund.*

The Treasurer shall post the RFP on the treasury website www.treasury.alabama.gov. Interested parties may monitor the progress and status of this RFP process on the website.

2. Minimum Qualifications

In order for your RFP to be considered, your firm or agency must provide an affirmative response to the following seven questions:

- Is the agency headquartered in the State of Alabama?
- Has the firm or agency you represent been in operation for over three years?
- Does the project manager at your agency responsible for providing the services described in this RFP have at least three years of advertising/marketing experience?
- Is the firm or agency committed to work closely and cooperatively with the Treasurer and her staff to facilitate the implementation of any enhancements or modifications required by the Treasury?
- Does the firm or agency have a company policy and practice of equal employment opportunity and non-discrimination based on age, race, creed or gender?
- Will the firm or agency indemnify and hold the State harmless from all costs or expenses, including but not limited to, attorney fees and expenses related to litigation concerning disclosure of information and documents marked confidential?

- Does the firm or agency attest that all workers providing the services described in this RFP are either citizens of the United States or are in proper and legal immigration status that authorizes them to be employed for pay within the United States?

3. Expression of Interest.

If your firm is considering bidding on this RFP, please email: (1) your name, (2) title, (3) name of your firm, (4) phone number (5) email address, and (6) fax number to Anthony.Leigh@treasury.alabama.gov by 5:00 p.m. CST, on March 9, 2007. Submission of your interest is not a prerequisite for submitting a proposal, but it is necessary to ensure a firm's receipt of RFP amendments and other communications regarding the RFP.

The Treasurer reserves the right to amend this RFP at any time prior to the proposal due date and time. If it becomes necessary to revise this RFP, amendments will be provided to all firms or agencies that have submitted an Expression of Interest.

4. History of the PACT Program.

Section 529 of the Internal Revenue Code of 1986 authorizes states to create two types of college savings programs – prepaid tuition plans and college savings plans. Alabama offers PACT as the prepaid option, and the Alabama Higher Education 529 Fund as the college savings option. The programs were created by the Alabama Legislature and are codified in Section 16-33C, Code of Alabama (1975).

Alabama was the third state in the nation to implement a prepaid college tuition program when PACT began operating in March 1990. This RFP is only relevant to the PACT Program.

PACT is based on a simple concept – pay today for tomorrow's tuition. Since 1990, PACT has allowed citizens to purchase a contract to prepay four years of future undergraduate college tuition and qualified fees for a child or loved one. PACT enrollment is only open for a limited time each year. Contracts are based on the age/grade of the child, and payments can be made in a lump-sum or in monthly installments. Beginning with the Fall PACT enrollment of 2007 (October through December), an additional option will be available to allow citizens to buy a contract for one-year of tuition and qualified fees. To date, the PACT Program has over 51,000 active accounts and has paid out \$280 million in tuition and qualified fee payments to various colleges and universities. This year, over 16,000 students are eligible to use PACT benefits. Additional information about the PACT program is available on the Treasurer's Web site which is www.treasury.alabama.gov.

5. Marketing Summary.

Marketing for PACT has traditionally been an in-house operation. The Treasurer and the Board have previously promoted PACT in Alabama through television, radio, newspaper, trade associations, elementary schools, hospitals, banks and credit unions, and through county and state officials. All marketing efforts include a strong call to action to the PACT Web site, www.treasury.alabama.gov and to the toll-free number (1-800-252-7228). The Board's goal is to encourage citizens to save for college through participation in PACT regardless of household income.

Last year, PACT marketing consisted of:

1. 10,000 PACT enrollment brochures distributed from August through December at civic club meetings, parent-teacher meetings and to parents and grandparents that call PACT asking for more information.
2. 150,000 quadfold brochures providing information on PACT and the Alabama Higher Education 529 Fund were distributed to Alabama banks, credit unions, elementary schools (one per the number of kindergarten and first grade students in each Alabama school), hospitals (one per the number of babies born in the hospital in 2005), probate judges, legislators, and parent-teacher groups. This brochure will continue to be distributed in 2007. The design, print and distribution of the quadfold is not a part of this RFP for services; however it is important that vendors are aware of this continuing marketing effort.
3. Radio. PACT contracted with Crimson Tide Sports Marketing and Auburn Radio Network to run two 30 second radio advertisements during five October and November University of Alabama and Auburn University football games.

6. Scope of Services.

The selected vendor is expected to provide the 2007 marketing plan for the PACT Program. The agency should be able to provide imaginative ideas and suggestions to meet the goals and objectives listed below.

Interested agencies must be able to demonstrate success in previous campaigns. The agency must have the ability to perform creative, copy-writing and design functions. The agency will arrange and contract for photography, film and television production and any other resources necessary for full implementation if applicable.

Goals and Objectives

- Generate qualified leads for the program through a strong call to action via PACT's 1-800 number and Web site.
- Effectively communicate the benefits of saving for college and how PACT can help any family save.
- Highlight the new one-year contract option.
- Clearly communicate program features and benefits in collateral.
- Sell 2,000 contracts in 2007.

PACT is only open for enrollment October through December of each year. PACT's deadline to launch a promotional campaign for the Fall enrollment period is August 23, 2007. PACT's deadline to select a vendor is April 27, 2007. The promotional campaign will run September through December to generate interest in PACT and enroll new families before the enrollment period ends December 31, 2007.

The total marketing budget for PACT for 2007 is \$100,000. This budget figure includes the production, creative, placement of the advertising, design and printing costs.

7. Proposal Required Information.

Proposals should be as thorough and detailed as possible so that your capabilities to provide the required services can be properly evaluated.

To be considered, responses to this RFP must include: (1) brief transmittal letter; (2) Exhibit A, Company Background; (3) Exhibit B, Proposal; (4) Exhibit C, Minimum Requirements; (5) Disclosure Statement. All proposals submitted in response to this RFP must include one original and completed Disclosure Statement as required by Section 41-16-80, et seq., Code of Alabama (1975). Copies of the Disclosure Statement, and information, may be downloaded from the Alabama Attorney General's Web site at www.ago.state.al.us/ag_items.cfm.

8. Submission of Proposals.

Proposals must be received at the following address **no later than 5:00 CST on March 30, 2007**. Provide the **original plus three (3) copies** to the following address:

Treasurer Kay Ivey
Alabama State Capitol
600 Dexter Avenue, Suite S-106
Montgomery, Alabama 36104

Submission Deadline. It is the responsibility of the Respondent to ensure that its proposal is timely delivered and received in the Treasurer's Office on or before 5 PM CST, March 30, 2007. The Board will not consider proposals received after the date and time specified herein. The Board assumes no responsibility for late delivery by the U.S. Mail, the State's Central Mail Facility, a commercial courier service, or any other method of delivery selected by the respondent. The response may be emailed by the submission deadline with the paper documents delivered within two business days.

Bidders Conference. A bidders conference for all potential responders is scheduled for 10:30 CST on Monday, March 19, 2007, to be held in the State Capitol Auditorium (enter at the Union Street entrance). The purpose of this conference is to allow potential responders an opportunity to present questions and obtain clarification relative to any facet of this RFP. Attendance at the bidders conference is not mandatory for RFP respondents.

Questions and Inquiries. The sole point of contact for purposes of this RFP is Deputy Treasurer Anthony Leigh. All questions concerning this RFP should be directed to Anthony Leigh at Anthony.Leigh@treasury.alabama.gov. All questions should be submitted via e-mail by March 15, 2006. Any oral communications shall be considered unofficial and nonbinding on PACT. Written responses to written comments shall be posted on the Treasurer's website no later than March 19, 2006.

Discussions initiated by the Respondent concerning this RFP with Board members or Treasury staff other than Anthony Leigh prior to contract award may be grounds for elimination from the selection process.

9. Evaluation and Selection.

All proposals timely received will be reviewed and evaluated by the Treasury staff. After the review and evaluation of the proposals, the Treasurer may conduct interviews. Finalists chosen for interviews, if necessary, will be notified. The Treasurer reserves the right to request a best and final offer for fees from finalists.

Qualifications to be considered for evaluation include the overall abilities, capabilities and experience of the agency and staff to market to diverse audiences. The Treasurer will select the agency she determines, in her sole discretion, to be fully qualified and best suited among those submitting proposals to best meet the needs of the PACT Program. *All proposals received in response to this RFP may be rejected and the Treasurer may solicit additional proposals.*

Upon identification of the selected marketing agency, if any, the Treasurer, on behalf of the Board, may initiate negotiations for contract terms and conditions.

10. Agreement.

All duties of the agency shall be set forth in a contract agreement between the selected Respondent and the Board. Contract terms are for a period of one year from the date of the execution of the contract with four one-year renewal options upon written agreement by both parties. Alabama law provides that contracts awarded by the Board may be for periods not exceeding five years. The contract will incorporate reference to the requirements of the RFP and the proposal as negotiated.

A sample agreement (Exhibit D) is attached for informational purposes only, and will be revised as necessary to specifically address services described in this RFP. Any content included in the sample agreement that is not acceptable to the Respondent must be included in Exhibit C in your response.

State law prohibits the Treasurer or Board from agreeing to (1) indemnify the Respondent; (2) waive the right for jury trial; (3) grant a security interest; or (4) binding arbitration. Additionally, it is mandatory that Alabama laws apply to the performance of the contract and that jurisdiction and venue be in Montgomery, Alabama for state and federal courts.

11. Public Information.

All responses received will be subject to the Alabama Open Records Act, §36-12-40, Code of Alabama and may be subject to public disclosure upon request. The Open Records Act is remedial and should therefore be liberally construed in favor of the public. The Alabama Trade Secrets Act is §8-27-1 through §8-27-6, Code of Alabama. Responders are cautioned to be familiar with these statutes. The burden is on the one asserting the trade secret to show that the information sought to be protected meets the definition of a Trade Secret as defined in the Act.

Any RFP response submitted that contains confidential, trade secrets or proprietary commercial information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as such. Identification of the entire Proposal as confidential is not acceptable unless the Firm

enumerates the specific grounds or applicable laws which support treatment of the entire material as protected from disclosure according to the foregoing statutes or other applicable Alabama law.

The owner of the confidential information shall indemnify and hold the State of Alabama, the State Treasurer, the Board, and Treasury staff harmless from all costs or expenses, including but not limited to attorney fees and expenses related to litigation concerning disclosure of said information and documents.

Exhibit A

Company Background

A. Corporate Information

1. Name of agency
2. Federal tax identification number
3. Business address and phone number
4. Principle contact (phone and email address)
5. Corporate profile, including the financial condition of the firm and how long you have been in business overall business objectives, strategic plans for growth, and ownership. Are there any changes pending in this profile?
6. Please attach biographies of the principals of your agency, and the biographies of the proposed staff for this project.
7. Please list all services offered by the agency, excluding those which are subcontracted.
8. Please provide a list of subcontractors that may be used for this account. Include the services to be performed by each subcontractor.
9. Provide details of any legal action taken against your firm or any of its owners principals, or personnel, in the three preceding years.
10. Provide details of any claims, disputes, litigation or other legal proceedings where your firm is involved with the State of Alabama or any of its agencies, or has been involved, in the three preceding years.
11. Describe factors or reasons why we should consider your firm more favorably than your competitors.

B. Clients

1. Provide the following information on at least 3 clients for whom similar services as described in this RFP are provided.
 - A. Company
 - B. Address
 - C. Contact Person & E-mail address
 - D. Telephone Number
 - E. Length of Relationship in Years
 - F. Services Provided
2. Provide a sample list of other clients you have provided services for in the last five years.

EXHIBIT B
Proposal

1. Please provide one, and no more than three, sample budget plans of how you would effectively spend \$100,000 for the 2007 marketing plan for the Alabama PACT Program.
2. Please provide marketing materials from no more than three campaigns you have previously created and describe the results achieved from each campaign.
3. Please describe the manner in which your agency proposes to receive compensation.

EXHIBIT C
Minimum Qualifications

1. The agency is committed to work closely and cooperatively with Treasury to facilitate the implementation of any enhancements or modifications required by Treasury.
Yes No
2. The agency has a company policy and practice of equal employment opportunity and non-discrimination based on age, race, creed or gender.
Yes No
3. The agency will indemnify and hold the State harmless from all costs or expenses, including but not limited to, attorney fees and expenses related to litigation concerning disclosure of information and documents marked confidential.
Yes No
4. The agency is headquartered in the State of Alabama.
Yes No
5. The agency has been in continuous operation for the last three years.
Yes No
6. The project manager responsible for completing the services of this RFP has at least three years of experience in advertising/marketing.
Yes No
7. The agency attests that all workers providing the services described in this RFP are either citizens of the United States or are in proper and legal immigration status that authorizes them to be employed for pay within the United States.
Yes No
8. Provide comments, if any, regarding the language and content of the sample contract.
9. Primary Contact Concerning the Proposal:
Name:
Address:
Phone Number: Email: Fax:

By signing this Exhibit, I certify that I am authorized to bind the company, and that the foregoing information is correct and true.

Signature _____
Date _____

EXHIBIT D

Sample Agreement

This Agreement (the "Agreement") is made and entered into between Treasurer (or applicable Board) and "Vendor", on _____ day of _____, 2005. Vendor acknowledges that this Agreement is not effective until it has received all requisite state government approvals. Vendor shall not begin performing work under this Agreement until notified to do so by Treasurer. Vendor is not entitled to compensation for work performed prior to the confirmed effective date of the Agreement."

WITNESSETH

WHEREAS,

THEREFORE, for good and valuable consideration and in consideration of the services to be performed and payments to be made, together with the mutual terms, covenants and conditions hereinafter set forth, and promises hereinafter stipulated, the parties mutually agree as follows:

Section 1. Definitions. When used in this Agreement, the words and terms defined below shall have the following meanings:

- (a)
- (b)

Section 2. Representations and Warranties: The Vendor represents and warrants as follows:

(a) That its policy and practice is for equal employment opportunity and non-discrimination based on race, creed or gender.

(b) It is lawfully organized and constituted under all federal, state, and local laws, under ordinances of other authorities of its domicile, and is otherwise in full compliance with all legal requirements of its domicile as is necessary to perform its obligations under this Agreement.

(c) It possesses the legal authority and capacity to enter into and perform this Agreement.

(d) It has been duly authorized to operate and to do business in all places where it will be required to conduct business under this Agreement; that it has obtained, at no cost to the Treasurer, all necessary licenses and permits required in connection with this Agreement, and that it will fully comply with all laws, decrees, labor standards, and regulations of its domicile, and wherever performance occurs, as is necessary to and during the performance of this Agreement.

(e) It has no present interest, nor shall it acquire any interest, which would conflict in any manner with its duties and obligations under this Agreement, provided that nothing in this Agreement shall limit or restrict the right of any director, officer, or employee of the Vendor to engage in any other business or to devote his or her time and attention in part to the management or other aspects of any other business or to render services of any kind to any other corporation, firm, individual, or association.

(f) It has in place and will maintain sufficient procedures and capabilities to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to this Agreement.

(g) That all representations of the Vendor contained in its response to the request for proposal dated *** **, 2005 to the Treasurer are incorporated by reference as a part hereof the same as if fully set out herein.

Section 3. Effective Date and Term: The effective date of this contract is _____ 1, 200*, and it will continue in effect until _____, 200*, or when terminated according to Section 10 of this Agreement, whichever shall first occur.

Section 4. Vendor Services. (Include as specified in the RFP.)

- (a)
- (b)
- (c)

Section 5. Ownership of Data: The Treasurer shall own all materials and data produced by or on behalf of the Treasurer under this Agreement.

Section 6. Taxes: The Vendor, including its agents and assignees, are solely responsible for, and shall pay all federal, state, or local taxes that become lawfully owed by such parties as a result of this Agreement; and, shall hold harmless, defend and indemnify the Treasurer, Treasury staff, and the State of Alabama in regard thereto.

Section 7. Standard of Performance:

(a) The Vendor shall discharge its duties under this Agreement in all instances with reasonable care, professional skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity would provide and use in the conduct of an engagement of like character with like aims in performing its obligations under this Agreement.

(b) Vendor will be liable for actual damages to the extent they result from its negligence, fraud, deception or willful misconduct, in performing its duties as set out in this Agreement

Section 8. Public Access /Confidentiality: All documents, papers, letters, or other materials relating to this Agreement that are made or received by the Vendor in conjunction with this Agreement, and which are required by law to be maintained, shall be made available for public access and for audit purposes for the period of time so designated by law and by the Treasurer during and after termination of this Agreement. In all other circumstances, all information furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except as required by law or upon the written agreement signed by each party to this Agreement.

Section 9. Compensation and Expenses: The Vendor shall be entitled to receive compensation for its services as follows:

Section 10. Termination, Resignation, or Removal: The Vendor may resign at any time by giving ninety (90) days written notice to the Treasurer. The Treasurer may remove the Vendor and terminate this Agreement at any time by giving thirty (30) days written notice to the Vendor. However, the contract may be terminated immediately in case of a breach of the contract by the Vendor or notice of a prospective sale or merger of Vendor. The Vendor shall be entitled to receive its fees for the period through and including the effective date of the termination, resignation, or removal.

Section 11. Disposition of Files: The Vendor shall immediately, upon request, turn over and deliver to the Treasurer copies of all data, reports, files, documents, and other tangible materials held by the Vendor that contain data or other information relating to this Agreement upon termination of this Agreement. The Vendor may keep its work product and one copy of materials necessary to comply with professional documentation requirements.

Section 12. Amendment: Any amendment to this Agreement shall be in writing executed by both parties with the same formality of this Agreement and in strict compliance with all applicable federal or State of Alabama laws.

Section 13. Assignment: This Agreement is not assignable in any part, manner or circumstance. Any attempted assignment is simultaneously void and shall constitute the simultaneous termination of this Agreement.

Section 14. Indemnification:

(a) The Vendor is designated and shall act as an independent contractor and not as an employee of the State in the performance of all the tasks and duties of this Agreement. The Vendor shall indemnify, defend, and hold harmless the Treasurer, Treasury staff, and the State of Alabama from all claims, suits, judgments, or damages

including litigation costs and reasonable attorneys' fees The Vendor is entitled to prompt and timely notice of any third party claims for which indemnity is sought and shall be given the opportunity to participate in the defense of such claims.

(b) No individual employee, officer, director or agent of the State of Alabama shall be subject to or have any personal liability for the terms and conditions of this Agreement. The Vendor, and on behalf of its assigns and successors, hereby waives, for all purposes, any claims now apparent or which may hereafter arise against any agent, employee, officer or director of the State of Alabama for personal liability of said agent or employee on behalf of the State of Alabama including its various agencies, boards, commissions, and departments.

Section 15. Jurisdiction and Venue: The validity, interpretation, and performance of this Agreement shall be controlled and construed under the laws of the State of Alabama. Jurisdiction and venue shall be in Montgomery County, Alabama for any action brought which relates to this Agreement. The sole remedy available to Vendor for settlement of any and all disputes arising under the terms of this Agreement shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama. Any claims against Vendor will be resolved in federal or state court in Montgomery, Alabama pursuant to Alabama law. Vendor and Treasurer agree that for any and all disputes arising under the Agreement, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation by and through the Attorney General's Office of Administrative Hearings or where appropriate, private mediators.

Section 16. Waiver. The failure of either party to object to, or to take affirmative action with respect to any conduct or performance of the other that is, or may be, in violation of the terms of this Agreement shall not constitute a waiver of the violation or breach, or of any future violation or breach.

Section 17. Audits: The Treasurer reserves the right to designate persons to conduct periodic audits of the Vendor's procedures and activities.

Section 18. Captions: The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

Section 19. Publication: The Treasurer is the only entity authorized to issue information for public knowledge or news releases for publication concerning the terms or performance of this Agreement.

Section 20. Merit System Exclusion: The Vendor is an independent contractor and nothing contained herein shall constitute or designate the Vendor, or any of its agents or employees, as agents or employees of the State of Alabama or the Treasurer. The Vendor, its agents or employees shall not receive any fringe benefits afforded merit system, appointed, or other regular, full or part-time employees of the State of Alabama.

Section 21. Notices: All notices, requests, demands or other instruments which may be, or are required to be, given by either party to this Agreement, shall be in writing and shall be deemed given if (1) hand delivered with a signed receipt; (2) sent by facsimile, and confirmed as received; (3) served by a law enforcement officer or process server appointed by a valid court order; (4) by electronic communication ("e-mail") with a received electronic receipt or, (5) if mailed, on the fifth business day following deposit of such notice in the U. S. Mail, postage prepaid, by certified or registered mail, return receipt requested, to the other person at the address listed below, or at such other address which either party may so notify the other of in writing.

Notices sent to Vendor will be addressed to:

(Vendor Information)

Notices sent to the ***** will be addressed to:

The Honorable Kay Ivey
Alabama State Treasurer
State Capitol Building Room S-106

600 Dexter Avenue
P.O. Box 302510
Montgomery, AL 36130-2510
334-242-7500(Voice) 334-242-7592(facsimile)

With a copy to the Office of General Counsel

J. Michael Manasco, General Counsel
State Capitol Building S-106
600 Dexter Avenue
P.O. Box 302510
Montgomery, AL 36130-2510
334-353-0050 (Voice) 334-353-0056 (Facsimile)
Mike.manasco@treasury.alabama.gov

Section 22. Non-Exclusive Contract. The Treasurer recognizes that the Vendor provides professional services to other clients and may give advice, and take action, with respect to any of those other clients that may differ from the advice given, or the timing or nature of action taken, with respect to this Agreement.

Section 23. Severability: If any provision of this Agreement shall be held to be void or inoperative by a court of competent jurisdiction, such provision shall be deemed severed from the remaining provisions of this Agreement, and the remaining provisions shall remain in full force and effect.

Section 24. Entire Agreement This Agreement constitutes the entire understanding of the parties and supersedes any prior express or implied written or oral agreements between them.

Section 25. Not a Debt of the State: This Agreement shall not be construed as a debt of the State of Alabama as prohibited by Section 213, Alabama Constitution 1901, as amended by Amendment 26.

IN WITNESS WHEREOF the Treasurer and the Vendor have executed this instrument as of the day and year first below written.

TREASURER OF THE STATE OF ALABAMA

By: _____ DATE: _____
Kay Ivey

VENDOR OR OTHER APPLICABLE TITLE

By: _____ DATE: _____
Its _____

APPROVED:

Bob Riley, Governor, State of Alabama

DATE: _____